

SENATE BILL 3893  
By Kyle

AN ACT to amend Tennessee Code Annotated,  
Title 4, Title 8, and Title 56 relative to health  
insurance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, is amended by adding the following as a new, appropriately designated part:

Section \_\_\_\_\_. This part shall be known and may be cited as the "Tennessee Comprehensive Health Insurance Pool Planning Act of 2006."

Section \_\_\_\_\_. It is the goal and clear intent of the general assembly to provide access to health insurance coverage to Tennesseans who are denied adequate health insurance. By the language of this Act, it is specifically the intent of the general assembly to make sure that adequate levels of health insurance coverage are made available to residents of Tennessee who are otherwise uninsurable or who are underinsured.

Section \_\_\_\_\_. As used in this part, unless the context otherwise requires:

- (1) "Board" means the individuals appointed to the planning board;
- (2) "Commissioner" means the commissioner of finance and administration;
- (3) "Health care institution" has the same meaning given in Section 68-11-1602(8); and
- (4) "Health care provider" means any physician, institution or health care professional that is licensed in Tennessee and entitled to reimbursement for health care services under this title.

Section \_\_\_\_\_. (a) The commissioner of finance and administration, on or before July 1, 2006, shall select a planning board of eleven individuals which shall consist of the following:

- (1) two representatives of insurance companies licensed to issue health insurance;
- (2) two representative of health maintenance organizations;
- (3) two health care providers;
- (4) two representatives who are actively employed or associated with a health care institution;
- (5) two individuals who are uninsurable or who are underinsured; and
- (6) one member of the general public.

(b) The commissioner, in making the appointments, shall strive to ensure that at least one (1) person serving on the board is sixty (60) years of age or older and that at least one (1) person serving on the board is a member of a racial minority.

(c) The commissioner shall designate one member of the board to serve as chair and one member of the board to serve as vice-chair. Board members shall receive no compensation for their service but shall be reimbursed for all travel expenses in accordance with the travel regulations promulgated by the department of finance and administration and approved by the attorney general and reporter.

(d) The board will be assisted in its work by staff of the department of finance and administration.

(e) The board, on or before October 1, 2006, shall submit to the commissioner and to the comptroller of the treasury a plan for operation and a funding plan designed to create a health insurance plan for individuals who are uninsurable or who are underinsured. This funding plan will include recommendations of different funding mechanisms, including specific proposals designed to make such a plan affordable. Such plan of operation will also include potential cost sharing arrangements, if necessary, for the purposes of keeping the insurance plan solvent.

(f) The Board, after consultation with the commissioner and the comptroller of the treasury, shall submit its final proposal to the general assembly. Such proposal shall be made in writing to the members of the general assembly no later than December 1, 2006.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.